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EU Export Promotion Programs for Agricultural Products

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Report Highlights:

A key element of the EU's new promotion policy called "Enjoy! It's from Europe" is the adoption of annual work programs that set out strategic priorities for promotion measures in terms of products, schemes, target markets and available resources. This report provides detailed information on the new promotion policy and the priorities set out in the annual work programs for 2016 and 2017.

European Union Export Promotion Programs for Agricultural Products

Introduction

In 2015, the European Union (EU) revised its promotion policy for agricultural products. Regulation 1144/2014, applicable since December 1, 2015, sets out a new policy called "Enjoy! It's from Europe." A key element of the new policy is the adoption of "annual work programs" in which the Commission sets out the strategic priorities for promotion measures in terms of products, schemes, themes, target markets and the allocation of resources. The objective is to adapt the program each year to emerging market opportunities and the needs of certain sectors. Priority is given to promotion programs that target non-EU countries.

Simple & Multi Programs

Regulation 1144/2014 introduced "simple promotion programs" and "multi promotion programs." Each year, the Commission will publish a call for proposals detailing the different types of funding schemes available and the procedure to follow. A simple program is a promotion program submitted by one or more proposing organizations from the same Member State while multi promotion programs are to be submitted by at least two proposing organizations from at least two Member States or one or more European organizations. Simple programs for wine must be associated with at least one other product, for example wine and cheese. Simple programs are managed by the Member States' national authorities while multi programs are managed by the European Commission's Consumers, Health, Agriculture and Food Executive (CHAFEA) Agency.

Eligible Products, Schemes and Themes

Promotion programs cover the following **products**:

- All agricultural products (excluding tobacco) of <u>Annex I to the Treaty on the Functioning of the European Union</u> (TFEU)
- Processed products such as beer, chocolate, pasta included in Annex I to Regulation 1144/2014
- Spirit drinks with a geographical indication

Promotion programs cover the following **schemes**:

- EU quality schemes established by <u>Regulation 1151/2012</u> (Protected Designation of Origin (PDO), Protected Geographical Indication (PGI), Traditional Specialties Guaranteed (TSG)
- Organic production method
- National quality schemes
- Logo for quality agricultural products specific to the outermost regions of the Union

The following **themes** can be used in promotion campaigns:

- Environment: campaigns that promote respect for the environment
- Quality and food safety: campaigns that promote high quality products
- Health: campaigns that promote a healthy lifestyle
- Diversity: campaigns that promote a wide variety of agricultural products
- Tradition: campaigns that promote agricultural traditions

Funding

Promotion programs are no longer co-financed by Member States but compensated by higher EU co-financing rates that are gradually increasing from EUR 61 million in 2013 (when the new rules were proposed) to EUR 200 million in 2019. The EU co-financing rate is 70 percent for programs implemented within the EU and 80 percent for programs targeting non-EU countries. A 5 percent top-up applies to beneficiaries from Member States under financial assistance (Greece, Cyprus). The rest is financed exclusively by the proposing professional or producer organization.

Selection Procedure

| European Commission adopts annual work program | | | | |
|--|-------------------------------|--|--|--|
| ↓ | | | | |
| European Commission publishes call for proposals for simple and multi programs (January) | | | | |
| ₩ | | | | |
| Proposing organizations submit proposals for programs to the Commission | | | | |
| ↓ | | | | |
| European Commission executive agency CHAFEA evaluates submissions | | | | |
| and selects beneficiaries (October) | | | | |
| V | Ψ | | | |
| Member States manage simple programs | CHAFEA manages multi programs | | | |

Annual Work Programs

2016

The <u>annual work program</u> for 2016, the first year of implementation of the new promotion policy, foresaw a total budget of EUR 111 million of which EUR 12 million was allocated to selected information and promotion programs in the United States and Canada. On November 22, 2016, the Commission published a <u>list of 60 approved programs</u> for a range of product categories. Out of the 60 programs, 24 target the internal market and 36 target non-EU countries and regions. All programs are "simple programs," i.e. proposed by one Member State.

| Sample of Approved 2016 Promotion Programs | | | | |
|--|-------------------------|-----------------------|--------|-----------|
| Member | Proposing Organization | Products | Target | EU Grant |
| State | | | Market | in EUR |
| France | Bureau National Inter- | Spirit Drinks | U.S. | 1,280,000 |
| | professionnel du Cognac | | | |
| Italy | Consorzio tutela del | Wine, Cider, Vinegar, | U.S. | 1,036,004 |
| | Lambrusco di Modena | Meat Preparations | Canada | |
| Spain | Organización | Table Olives | U.S. | 5,934,515 |
| | Interprofesional de la | | | |
| | Aceituna de Mesa | | | |
| France | Consortium du Jambon de | Meat Preparations | U.S. | 918,007 |
| | Bayonne | | | |

Exchange rate: EUR 1 = USD 1.073 (Dec. 7, 2016)

2017

On November 10, 2016, the Commission adopted the work program for 2017 increasing the budget to EUR 133 million of which EUR 11.6 million is earmarked for programs in the United States, Canada, and Mexico. An extra EU 9.5 million will be available for promotion actions directly managed by the Commission (e.g. EU pavilions at fairs in non-EU countries, high level missions). In January 2017, the Commission launched a call for proposals for simple and multi programs. The submission deadline is April 20, 2017. In October 2017, the Commission will approve the list of programs to be co-financed.

Under the 2017 work program, priority is given to the following topics for multi programs:

- Programs increasing the awareness of sustainable agriculture and the role of agriculture for climate action on the internal market
- Information programs on EU quality schemes
- Programs highlighting the specific features of EU agricultural methods and the characteristics of EU agri-food products

Slogan(s)



All visual material produced in the framework of a promotion programs cofinanced by the EU must bear the signature "Enjoy! It's from Europe." The signature may not be used to promote brands.



The "Tastes of Europe" campaign is part of a diplomatic offensive. In order to facilitate exports to non-EU countries, Agriculture Commissioner Phil Hogan started a series of high-level missions with the participation of representatives of the EU agri-food sectors.

New Web Portal

On February 27, 2017, the Commission launched a <u>new web portal</u> to assist organizations representing the agri-food sectors obtain information on available funding and check eligibility for the different types of promotion programs. This new online tool is a one-stop-shop for detailed information on annual work programs, funding opportunities, events, campaigns and how to enter new markets.

Links

- European Commission Consumers, Health, Agriculture and Food Executive Agency (CHAFEA): http://ec.europa.eu/chafea/agri/
- European Commission DG AGRI: https://ec.europa.eu/agriculture/promotion_en
- Member State websites: https://ec.europa.eu/agriculture/promotion/member-states_en
- Approved programs 2016: https://ec.europa.eu/agriculture/sites/agriculture/files/promotion/campaigns/2016/2016_en.pdf

Related Reports

- EU Wine Policy Report